



POSTAL SERVICE

Change in Rates and Classes of General Applicability for Competitive Products

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: This notice sets forth changes in rates and classifications of general applicability for competitive products, namely, Parcel Select.

DATES: July 9, 2023.

FOR FURTHER INFORMATION CONTACT: Elizabeth Reed, 202-268-3179.

SUPPLEMENTARY INFORMATION: On February 9, 2023, pursuant to their authority under 39 U.S.C. 3632, the Governors of the Postal Service established prices and classification changes for competitive products. The Governors' Decision and the record of proceedings in connection with such decision are reprinted below in accordance with section 3632(b)(2). Mail Classification Schedule language containing the new prices and classification changes can be found at www.prc.gov.

Tram T. Pham,

Attorney, Ethics and Legal Compliance.

**DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON CHANGES
IN RATES AND CLASSIFICATIONS OF GENERAL APPLICABILITY FOR COMPETITIVE
PRODUCTS (GOVERNORS' DECISION NO. 23-2)**

February 9, 2023

STATEMENT OF EXPLANATION AND JUSTIFICATION

Pursuant to authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish changes in rates and classifications of general applicability for Parcel Select, one of the Postal Service's competitive products. The changes are described generally below, with a detailed description of the changes in the attachment. The attachment includes the draft Mail Classification Schedule sections with classification changes in legislative format.

The changes we establish today will simplify and streamline the Parcel Select product in a number of ways. The place of entry and zone options will be aligned across the Parcel Select Destination Entry and Parcel Select Lightweight price tables. The separate and distinct machinable and nonmachinable price tables under Parcel Select Destination Entry will be eliminated, such that one set of prices will remain. The Postal Service expects that the Nonstandard Fees will be relied upon to make up for any cost differential for bulky items. Finally, a new Destination Hub (DHub) price category will be introduced, and new DHub rates will be established. The Postal Service expects these new rates will encourage growth at new facilities.

As with the Postal Service's other recent product simplification efforts, the Postal Service anticipates that its customers will greatly benefit from these changes to the Parcel Select product. The consolidated price tables will be easier to understand, and the streamlined categories will help mailers optimize entry points for their Parcel Select packages. Negotiated Service Agreements will continue to be utilized for Parcel Select customers who seek to take further advantage of package sorting capabilities, entry points, and network capacity.

ORDER

The changes in rates and classes set forth herein shall be effective at 12:01 A.M. on July 9, 2023. We direct the Secretary to have this decision published in the *Federal Register* in accordance with 39 U.S.C. § 3632(b)(2) and direct management to file with the Postal Regulatory Commission appropriate notice of these changes.

By The Governors:

/s/

Roman Martinez IV
Chairman, Board of Governors

**UNITED STATES POSTAL SERVICE
OFFICE OF THE BOARD OF GOVERNORS**

**CERTIFICATION OF GOVERNORS' VOTE ON
GOVERNORS' DECISION NO. 23-2**

Consistent with 39 USC 3632(a), I hereby certify that, on February 9, 2023, the Governors voted on adopting Governors' Decision No. 23-2, and that a majority of the Governors then holding office voted in favor of that Decision.

/s/

Date: February 9, 2023

Michael J. Elston
Secretary of the Board of Governors

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